

# Unilever product life cycle

Life



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the firm. •Total Quality Management •Its all about ever barricading eminence i. e ever improving quality. •The quality of the product should be increase with the passage of time to keep customers as well induce new customers. Magnum's TQM Introduction of new Magnum's Cup will certainly improve the quality because of inclusion of " choco-topings". The new Cup will increase the value to the customer because of its " take away" facility. pricing? " •Magnum's TQM Again •Since Magnum is a premium choc bar and people are paying the premium to get this premium choc bar , the TQM does have a great vitality in this context. •Magnum is thought as a superb quality choc bar that's why people wouldn't compromise on the quality . •They know " they are paying for the best" •Forecasting and Demand Management •The ice cream market is particularly influenced by the weather and Wall uses a weather index to gauge conditions for sales •Also during peak seasons like Eids, Happy New Year and Independence Day demand is high and rices are lowered so as to compete with the other rivals prevailing in the industry . Magnum's sales forecast •In terms of Magnum, this seasonality is relatively low. This is because Magnum is an impulse buying item . •In examining the seasonality one must consider the target market of Magnum. Will these people refrain from having a magnum in cold weather? •The variation in sales will not be as high or drastic as other ice creams or categories.

•Positive Aspects for Sales •Pakistan's population growth rate is almost 2% per annum. •Urbanization trend on the boom i. people are inducing towards higher life standards of living in cities. •Growth in GDP/capita reflects in the consumption pattern of the people. •Improved level of law and order conditions results in more FDI's hence an attractive market. Product and Product Mix •A product is anything that can be offered to a market to satisfy

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a need and want of the customer. •Product includes different product levels which are, •Core benefit: The fundamental service or benefit that the customer is really buying •Basic product: the marketer has to turn the core benefit into basic product.

Levels of Product •Expected product: A set of attributes and conditions buyers normally expect when they purchase the product. •Augmented product: Augmented product means things beyond the expectation.

•Potential product: which encompasses all the possible augmentation and transformation Magnum' Levels •The core benefit of the Magnum are satisfaction and the indulgence •The basic product is the premium Choc Bar •Expectations are related with the Magnum is that it would provide that quality others can not. •Potential product, introduction of Magnum in new jar. Product mix •Product mix is the set of products the company is offering to the customer. •Product mix includes, width, length, depth and consistency. •Magnum's Product Mix •Unilever is the parent company and it operates in many businesses like tea, soaps, shampoos etc. this includes in width •Length includes different products of the walls like Magnum, Feast , Cornetto etc. •Depth includes variants of the similar product like Magnum, Feast, Sunday all are chocolate related items. •Unilever product lines are consistent because most of them are consumer goods. SBU Strategies •Almost every business unit of Unilever including Walls holds a lion' share in their respective markets. •For Magnum. hold strategy is appropriate and its holding by the firm. Corporate and division Strategic planning •Mission Statement •The Mission Statement underlines the dedication to the satisfaction of the everyday needs of the customers. •Quality is priority in all

senses. •We are the part of the society in which we operate. •Our Vision is “ Touching hearts changing life” Boston Consulting Growth Matrix •Star •Question Mark •Cash Cow Dog Internal Environment Analysis •Strengths •- Brand Image •- •Brand recall is high •- •Quality is one of the best in the market •Weaknesses •Multiple Brands therefore lack of focus •Unhealthy competition in the corporate culture External Environment Analysis Opportunities: - Westernization of Pakistani Society - No DIRECT competition except Quanta Relatively good growth of market •Threats: •- Threat of bigger competition in the next two years •- Instability of Pakistani Political system Marketing Alliances Promotional Alliances

The strategic alliance by the Walls with leading fast food corners like KFC and Pizza Hut outlets was an attempt to promote their product. • Marketing Channel •These channels are essential to move product from the manufacturer’s warehouse to the consumer’s house. •Firms have options to decide levels of channels i. e how many channels does it want to include in the distribution of its product. •Walls’ Channels •Walls’ uses multi level channel marketing. •Walls uses backward integration. •Walls’ sales men whirl in the streets of the city on their lorries , i. e direct marketing. Walls’ own supplier make its product available to consumers. •Pull and Push Strategies •The painstaking music produce by the whirling lorries of WALLS let its voice count , pulling the kids to pull their parents. •The usage of billboards and print media is a device to push up the target customer. •Promotional Tools •In Pakistan, Ice-Cream industry competition may be healthy but there are very few brands to name. •Companies have to fight for their market share and use various strategies from price to promotional,

which could make them leader in the market. •Firms try to compete on the basis of quality, uniqueness and brand name Magnum's Promotion •The most commonly used are the major media that includes billboards and posters in the display media •The retailers were provided with free refrigerators by the Walls to motivate them •Since the logo of Walls was endorsed on these refrigerators, the brand was promoted as well. •Pricing •Historically, for most products price has been the major factor affecting the buyer choice •Ice cream companies' pricing decisions are influenced by both internal as well as external factors. •Pricing •Internal Factors •Survival •Company's objectives •Market Profit Maximization MarketLeadership•Product Quality •External Factors •Economic Factors •Governmental rules and regulations. •Social concerns. •Resellers. •Pricing Strategies •The management of the Magnum uses " Price Premium Strategy". •The notion of " Self Indulgence" transferred the brand advertising doctrine to brand experience I. e " have a bite please". •Price doesn't matter to target consumer of Magnum. •What's wrong with the Price! •Its is said that " Magnum is too expensive" •It is thoughts as a reason of minimal sales. •There are relatively inexpensive choc bar exists. •Price is not the problem! The Magnum is targeted to the people of elite class , higher in the socio-economic ranks. •The target set for Magnum's sales have achieved up to maximum extent. •Lowering the price will usurp its supremacy and satisfaction level may decline because of this move. •Marketing Management Philosophies •The philosophies speak about the different strategic behavior adopted by the firm to sell their product. •The philosophies are adopted in the foremost interests of consumers. •Magnum's Marketing Philosophies •Product concept , better the quality and the product

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attributes the better will be the sales. Selling Concept, pushing and pulling consumers time and again, inducing them to buy Magnum, otherwise it will be left •un noticed. •Marketing Concept, better than that of competitors in satisfying customers' needs the better will be you share in the market.

Magnum's Marketing Philosophies Customer concept, provide customer what he wants at the price you want The customers decide what we serve to them. Societal Marketing, Walls started a campaign to keep the environment clean in the northern areas to preserve them •Brand Decision •Creation, maintenance, protection and enhancement of a brand is an art. Brand is a symbol, name, term, design or a system or amalgamation of them. •It's a marketing tool and tactic. •A promise by seller to deliver specific set of features and values to the buyer •Brand Equity •High brand awareness of Magnum as a member of Walls' family. •Magnum possess high degree of brand preference. •Customer is satisfied with the brand and devoted to it. •Customer doesn't want to change the brand over price issue. Brand Building Tools The campaign inaugurated by the Walls to " Save the environment" added privileged to the Walls as well its family.

Wall's " Heart Branding" captures the enthusiasm of the young and the young-at-heart, laying claim to 72% of the frozen desserts market share in Pakistan. Analyzing Competitors •By knowing our Competitors we may be able to predict their next moves, exploit their weaknesses and undermine their strengths •Who are your competitors? •What customer needs and preferences are you competing to meet? •What are the similarities and differences between their products/services and yours? Magnum's Competitors •Competitors for walls in general are many; in fact they include

all the ice cream providers. For Magnum we would like to define our competition strictly in terms of the target market. In this definition we would consider the product category level. Major Competitors •In this list we consider Igloo Quanta to be our main competitor due to similar attributes of the product and a very similar target market. •For the purpose of analysis we will group the competitors into two. First we would discuss our main competitor i. e. Igloo Quanta and then the rest in one group Who Is The Competitor •Igloo Quanta •Moven Pick Ice cream •Snoopy Ice cream parlor •Gelato Affairs Ice cream parlor •Igloo Dip Shop Imported Ice creams like Hagen Dazz, Dove, and Galaxy available at places like Aghas Stake Holders •At Unilever we are dedicated to meeting the everyday needs of people everywhere. •We participate in the well being of the society , we live and work •Touching hearts by changing lives RESOURCES •Unilever committed its own resources to acquire 'Polka' and consolidate the ice cream market for Lever Brothers Pakistan •Low gearing and reputation as a multinational blue chip give Lever ready access to capital at good terms to fund growth. •In the local ice cream market not many have the capability to invest in completely new technologies. Financial assets of more than RS. 7 BILLION. Human Resources •People are the driving force for success. •HR initiatives focused on encouraging empowerment and transparency in the organization. •E-town project brought the Chairman and top team to everyone's desktops via live streaming video and allowed employees to address their concerns to the panel via a chat server. Resources •Me and U, an interactive HR portal that brings employee information to to everyone's desktop. •Child Day Care center allowing employees to have their infants in close proximity under very best care



Resources • Distinctive Capabilities advantage. • Walls has a weather index that helps in describing peak seasons for selling ice creams. • Sharp market sensing. • Intimate linking with the customers. • Strong channel bonding.

Organization and its Culture • Uni Lever, a visionary organization. • Highly professional Organization with the highly professional people. • The society is the family and look after of family is my own responsibility Market

Segmentation The Magnum has segmented the market on the basis of income, social and economic class and esteem level.

Nice marketing strategy has been adopted focusing on the smaller but elite segment of the society as well as of market. Psychographics Segmentation

Life style The people from the A/A+ class are considered for customer ship.

Personality People having high level of esteem, standing high on the need hierarchy pyramid. Behavioral Segmentation Occasions The Magnum focuses

on the occasions when somebody wants to rejoice himself by himself. “ I hate somebody nobody hates me! I love somebody no body loves me” Self

Indulgence is the underlining theory. Loyalty Status

Hard Core Loyals. TARGET MARKET • Magnum focuses on the upper niche market. The upper class segment is whom we want to buy our product.

• These are people who wouldn't mind spending • Rs 25 for an ice cream; rather they would impulsively buy the product whenever they go out for a drive or something. • Magnum is “ Just for You” • The concept of sharing is not embedded Target Market • Target market people from the ages of 18-30, upper class, possessing a very high set of self esteem people • People who have style and don't mind spending more for better quality, brand value etc

**Market Positioning** An art of designing the product of the company and its image to occupy a distinctive place in the mind of the target market.

Positioning is not what you do to the product. Its what you do to the mind of the panorama Market Positioning •Marketing positioning means how the customer rate your product in comparison with your competitors. •The firm should offer a substantial value to its customers to sustain the positioning of its product. Magnum's Positioning Attribute Positioning For self immoderation

**User Positioning**

Appealing to stylish people Quality and Price Positioning High price for the higher quality Magnum's Positioning Since a Rs 25 choc bar is quite prestigious bar, so people feel good when buying the Magnum. The higher the price the higher will be the quality & the higher will be the satisfaction level. People rank it as a premium brand with priceless quality Marketing

**Research System** •Walls has its own department for Marketing Research.

•Primary Data is provided by Sales team. •Secondary Data is gathered from publications and other sources.